Study by ICRIER regarding retail trade

†2493. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have entrusted the study to Indian Council for Research on International Economic Relation Institute (ICRIER) to assess the effect of the entry of big houses in the organised sector of retail market of the country, on small shopkeepers and roadside vendors;

(b) if so, the basis of selection of above said institute for this task and for how many years this institute has been working in India and who are the owners of this institute; and

(c) by when this institute will hand over its report to the Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) Yes, Sir. The terms of reference of the study are given in the Statement-I (*See* below).

(b) Indian Council for Research on International Economic Relations (ICRIER) was assigned the study since it was a reputed economic research and academic institution with past experience to undertake such studies. The organisation was established in August, 1981 as a policy oriented not-for-profit research organisation, registered under the Societies Registration Act, 1860. List of members on the Board of Governors of ICRIER is given in the Statement-II (*See* below).

(c) The final report is likely to be submitted by the end of April, 2008.

Statement-I

Terms of reference of the study by ICRIER

No. 12(47)/2006-FC
Government of India
Ministry of Commerce & Industry
Deptt. of Industrial Policy & Promotion
(FC Section)

New Delhi, dated the 2nd March, 2007

To
The Director & Chief Executive,
Indian Council for Research on
International Economic Relations (ICRIER)
Core 6A, 4th Floor,
India Habitat Centre,
Lodi Road, New Delhi-110003

Subject: The Impact of organized Retailing on the Unorganized Retail Sector—A Study by ICRIER.

Sir,

I am directed to convey the sanction of the Government of India to a Study to be assigned

† Original notice of the question was received in Hindi.

to the Indian Council for Research on International Economic Relations (ICRIER) on the impact of organized retailing on the unorganized retail sector.

Objective of the Study:

2. There has been considerable growth in organized retailing in the country in recent years and estimates show a much faster growth in the future. Major industrial houses have entered this area and have announced the future expansion plans. Transnational corporations are also seeking to come to India and set up retail chains in collaboration with Indian big companies. Divergent views have been expressed on the impact of the growth in the organized retail in the country. Concerns have been raised that the growth of organized retailing may have an adverse impact on the retailers in the unorganized sector. It has also been argued that growth of organised retailing will yield efficiencies in intermediary stages enabling higher prices or access to markets to producers (including farmers or small producers) or lower prices to consumers. To reconcile such variations, an in-depth analytical study on the possible effects of organized retailing in India is essential.

Terms of Reference

3. In order to assess the impact of growing organized retail on different aspects of the economy, ICRIER is appointed to carry out a study on organized retail focused on the following:

(i) Effect on small retailers and vendors in the unorganized sector keeping in mind the likely growth in the overall market

(ii) Effect on Employment

(iii) Impact on consumers

(iv) Impact on farmers and manufacturers

(v) Impact on prices

(vi) Overall impact on economic growth

ICRIER will analyse the above in the context of a growth scenario of 7—10 per cent per annum in the next 5 years and in the light of practice in other fast growing emerging market economies.

Methodology

4. The Study by ICRIER will involve the following:

- Literature survey of existing studies:
- 4-5 case studies of established retail chains
- Interviews of major players in the organized retailing, manufacturers, and of producers including associations of farmers.
- Questionnaire-based survey of unorganized retailers, including vendors especially around organized retail shops
- Questionnaire-based survey of consumers around the organized retail outlets

Timeline

5. The study is proposed to be time-phased as follows:

1.	Inception	! March
2.	Literature survey and Questionnaire design	30 March
3.	Pilot Survey	1—15 April
4.	Review Workshop-1	30 April
5.	Survey	1 May—15 June
6.	Interim Report	30 June
7.	Review Workship-2	7 July
8.	Final Report	15 July

Budget

6. Government has approved the budget for the above study is at Rs. 59.80 lakhs which would be met by the Department of Industrial Policy & Promotion.

7. This issues with the concurrence of IF Wing vide their Diary No. 4160/AS&FA dt. 1-3-2007.

Yours faithfully,

(Pramila Raghavendran)
Under Secretary to the Government of India
Telefax: 23062327

Statement-II

List of members in the Board of Governors of ICRIER

Elected Members

1. Shri Uday S. Kotak,
   Vice-Chairman & Managing Director,
   Kotak Mahindra Bank Ltd.
2. Mr. N.K. Singh, Dy. Chairman,
   Planning Board, Government of Bihar
3. Dr. R.A. Mashelkar, FRS,
   President,
   Indian National Science Academy
4. Dr. Kirit S. Parikh,
   Member, Planning Commission
5. Dr. Swati A. Piramal,
   Director-Strategic Alliances & Communications,

Nicholas Piramal India Limited

6. Ms. Janaki Kathpalia,
Former Additional Secretary,
Ministry of Finance, Deptt. of Economic Affairs

7. Dr. Vijay Kelkar,
Former Advisor to Minister of Finance, Ministry of Finance,
Chairman, IDFC Asset Management Company

8. Dr. Rakesh Mohan,
Deputy Governor, Reserve Bank of India

9. Shri N. Ravi,
Editor, The Hindu

10. Shri Aman Mehta,
Former Chief Executive, Hongkong Shanghai Banking Corporation

11. Prof. Shankar N. Acharya,
Former Chief Economic Advisor, Ministry of Finance and
Honorary Professor, ICRIER

Co-opted Members

12. Shri Malvinder Mohan Singh,
CEO and Managing Director, Ranbaxy Laboratories

13. Shri Nitin Desai,
Former Dy. Secretary-General UN Conference on Environment & Development and
Presently Honorary Professor, ICRIER

14. Ms. Chanda Kochhar,
Dy. Managing Director,
ICICI Bank Limited

15. Shri O.P. Bhatt,
Chairman, State Bank of India

16. Shri Nandan M. Nilekani,
Co-Chairman, Infosys Technologies Ltd.

Overseas Members

17. Prof. Arvind Panagariya,
Professor of Economics & Bhagwati Professor of Indian Political Economy,
Columbia University.

Member Secretary

18. Dr. Rajiv Kumar,
Director & Chief Executive.

Export of rice despite ban

†2494. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government had imposed certain bans to control the export of rice from the country during the year 2007;

(b) if so, the details of these bans and time when they come into force;

† Original notice of the question was received in Hindi.